



Employees encounter interesting sights in the field.



Storm-damaged poles on Gilbert Road.



Getting the PUD newsletters ready to mail.

DISPATCHABLE GENERATION

(n.) Sources of electricity generation the can be increased or decreased to meet fluctuations in electricity demand.

#HydroFlowsHere

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Clallam County PUD
 PO Box 1000
 Carlsborg, WA 98324

Postal Customer

PRSR STD
 U.S. Postage
 PAID
 Olympic Mailing
 Services
 ECRWSS

From the General Manager



SEAN WORTHINGTON

In the last issue I shared breaking news that the Bonneville Power Administration (BPA) reported strong financial projections that placed their cash-on-hand reserves above their 120 threshold of \$600 million. This triggers the rate case maximum Reserve Distribution Clause for 2023, which results in rate relief for preference customers, including Clallam PUD. At the time I anticipated canceling our budgeted rate increase for 2023, along with a rate decrease of 0.5% on kWh energy.

At the Board of Commissioners meeting of September 26, 2022 the PUD Commissioners were able to approve canceling the budgeted rate increase previously approved for 2023 and approved a 1.00% decrease in all kWh rate classes and a 0.00% change to the Basic Customer Charge, effective April 1, 2023.

Our budgets for 2023 have been adopted, and our Finance team has put together a comprehensive “Budget Book” that is available for viewing on our website. See page 6 for more information.

Lastly, we have been experiencing a high call volume to our customer service department. I understand this must be frustrating. We, like many other sectors, have experienced staffing challenges and as retirements occur, employees tend to move up within the District, leaving customer service positions open to be filled. However, we have recently implemented some solutions and part of that was to identify the most common reasons for calls and update our Frequently Asked Questions (FAQ) list on our website. I invite you to visit it at <https://clallampud.net/frequently-asked-questions/> so you can help yourself 24/7 without having to call during business hours.

I hope you and yours had a blessed holiday season and we look forward to serving you in the New Year!

Sean Worthington,
General Manager

Contact PUD

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360-452-9771
Toll-free: (800) 542-7859
info@clallampud.net
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Fuel Mix

Your PUD's electricity comes from the following fuel mix:

Hydroelectric	85.44%
Nuclear	10.84%
Unspecified Resources*	3.72%
Natural Gas	0.01%
Coal	0.00%
Petroleum	0.00%
Solar	0.00%
Wind	0.00%
Other Generation	0.00%
Total	100%

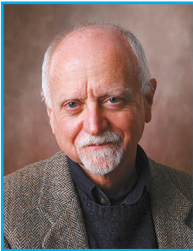
*BPA Market Purchases

Commissioners

Clallam County Public Utility District #1 is directed by a three-member board of commissioners elected by the citizens of the county. Our Board holds public meetings the 2nd and 4th Mondays monthly at 1:30 p.m. at our Carlsborg Main Office.

Coming Soon!
Get to know new
Commissioner
Ken Hays,
District #1

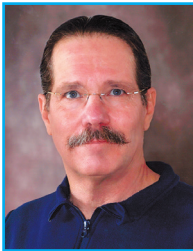
khays@clallampud.net • 360-565-3513



Jim Waddell
Secretary, District #3

Jim Waddell is a Civil Engineer who is retired from a 35-year public service career with the U.S. Army Corps of Engineers. For over twenty years of that career he has been a leader in developing the policies and practice of Sustainable Development. He also served with the Environmental Protection Agency and the National Science Foundation (NSF). Jim's work with the NSF and then as the Senior Policy Analyst for the Environment in the White House office of Science and Technology Policy was largely focused on climate change policy, budgets and research integration. During the early stages of his career, Jim Waddell was an officer in the Army National Guard, serving in Engineer, Signal and Transportation units.

jwaddell@clallampud.net • 360-565-3521



Rick Paschall
Vice President, District #2

Commissioner Paschall was elected to the 2nd PUD District on November 3rd, 2020 to serve a short term from December 1st through December 31st, and then taking a second oath of office to begin his full 6-year term on January 1, 2021. He has over 30-years of electric utility experience in the Pacific Northwest. With experience including power supply, compliance, utility management, and participation in regional utility workshops, forums, and conferences, Commissioner Paschall brings a robust portfolio of knowledge to the District. For twenty years, he provided technical expertise for public power general managers at the Pacific Northwest Generating Cooperative (PNGC) and served for ten years as Vice-Chair of the Western States Power Pool, four years as Steering Committee member of the Western Interconnection Compliance Forum. He holds an MS in Economics, and BS in Mathematics. Commissioner Paschall resides in Port Angeles with his wife, Connie, and rescue dog, Henry.

rpaschall@clallampud.net • 360-565-3528



Updated Frequently Asked Questions

Periodically we will go through the Frequently Asked Questions (FAQ) list on our website and give it a refresh, based on recent customer inquiries.

Since we had to shut our doors in 2020 due to the pandemic, our website traffic increased significantly. We responded by shifting several of our forms to be able to be submitted online, and promoted the use of our SmartHub mobile app for customer account management.

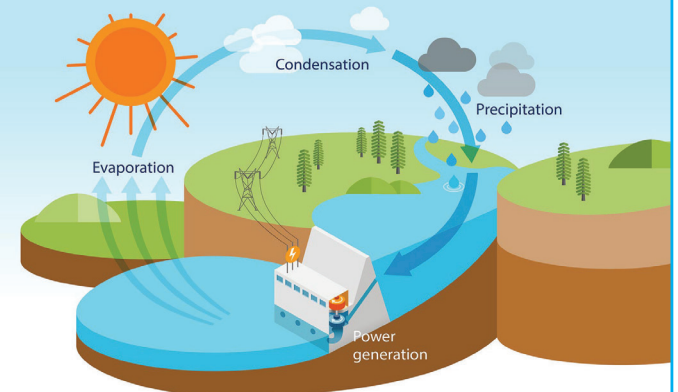
While the availability of digital tools is convenient, there are some account maintenance items that most customers experience infrequently and we want to help you help yourself easily without **having** to wait on hold or make a trip in to an office location.

Our latest update includes such topics as:

- ▼ Adding or removing a person from your account.
- ▼ Changing your legal name.
- ▼ The basic charge, explained.
- ▼ Troubleshooting high bills.
- ▼ Landscaping around electrical equipment.
- ▼ Low water pressure.
- ▼ Meter access and locked gates.

If you have a question that you would like to see answered, please do not hesitate to email us at info@clallampud.net. We can either point you towards where to find it on our website, or it just might find its way into our FAQ!

HYDROPOWER in the Northwest



- ✓ **Renewable.** Each year, rain and snow replenish the supply. It is the nation's most abundant source of renewable energy.
- ✓ **Efficient.** Hydropower plants at dams convert about 90 percent of the energy in falling water into electrical energy. By comparison, fossil-fueled plants lose more than half of the energy content of their fuel as waste heat and gases.
- ✓ **Clean.** Hydropower produces no emissions. There are no gases or waste products that contribute to air pollution.
- ✓ **Secure.** Water from our rivers is largely a domestic resource that is not subject to disruptions from foreign suppliers, cost fluctuations in power markets, international political crises or transportation outages.
- ✓ **Flexible.** By adjusting the amount of water flowing through the dams, hydropower can be increased or decreased very quickly to meet changes in demand for power. This meets a fundamental requirement of all electric grids, which is that demand must exactly match supply at all times to keep the system stable.
- ✓ **Accommodating.** Hydropower is a great "backup" for wind and solar power — for example it can be ramped up to meet demand when the wind is not blowing, and dialed down at times of high winds.
- ✓ **Affordable.** This is because the "fuel" — water — is free, which keeps operating costs low and protects against fluctuations in fuel prices. Over the years, the dams have consistently provided some of the nation's most affordable electricity.



WWW.BPA.GOV/HYDROFLOWHERE

Know Your Thermostat



By Mattias Järvegren
Utility Services Supervisor

During the past month I've gotten a surprising number of calls regarding how to set the thermostat for your heating system, so I thought I'd revisit the topic to clear things up. At least attempt to, because the honest answer of what to do with your thermostat depends on what type of heating system that you have. For some, it's good to set the thermostat back when you don't need your home as warm, as it can save you a fair bit on your electrical bills. However, for other heating systems, it's frankly better to set the thermostat and leave it alone, and leaving the thermostat alone will actually be cheaper for you. As previously mentioned, it depends on the type of heating system that you have. If you're unsure what type of heating system that you have, you can always give us a call and we will gladly assist in helping you figure it out. You can find our email and phone number at the end of this article.

Baseboards, Wall Cadets, and Electric Furnaces

These are your traditional electric resistance heating sources that all work essentially the same way to heat your house. A couple of them have a fan to push the warm air out, but at their core they all have an electric heating element that gets warm when an electrical current runs through it, very much like your toaster. It's an effective, but fairly expensive way to heat your home. These are the heating system types that you should turn down or off when you don't use them. There's still an old myth going around that says that it costs more to warm your house up, if you turn your heat down, but that's simply not true. If you have any of these types of heating systems, you should turn the heat down when you don't need it as warm. For instance, if you're away at work during the day, set the temperature down to 60F, and turn it back up after you get home. When you go to bed at night sleeping under the warm bed covers, turn the heat down to 60F and turn it back up again in the morning. This simple practice can make the largest, most meaningful difference if you're trying to manage your heating bill.

If you have an electric furnace, we encourage you to consider installing a smart thermostat. These thermostats will allow you to program a schedule automatically adjusting your thermostat settings ensuring you're warm when you're up and doing things around the house and the thermostats are down when you're out or asleep it makes sense to not use as much energy to keep the house warm.

If you have one of these heating systems, definitely turn back the thermostat whenever you're asleep or away from the house during a large part of the day.

Ducted Heat Pumps

Ducted heat pumps are very different from your traditional electric resistance heating systems, and actually have a lot in common with a refrigerator. Just like your refrigerator, they use a compressor to pump heat into your house. The

Quick Tips for your Heating System

Ducted Heat Pump

- Don't set the temperature back. When it's cold outside the heat pump will have a hard time warming back up.
- Change the filter regularly.
- Have the heat pump serviced annually (Typically in the fall as we go into heating season).
- If you notice a red light indicating *Em. Heat*, don't panic - it's just the built in back up heat helping out. However, if it does not go away after a while, call for service.
- Don't air condition in the summer if you don't have to.

Ductless Heat Pump

- Don't set the temperature back.
- Heat main living areas to comfort. To save energy, limit the heating of bedrooms and other less-used rooms.
- Set the old heating system to 5° F below the ductless heat pump.
- Set the fan to auto and let it do its own work.
- Clean the filter regularly.
- Don't air condition in the summer if you don't have to.

Electric Resistance Heat

- Turn the thermostat down to as low as 55° F when away.
- Heat main living areas to comfort. To save energy, limit the heating of bedrooms and other less-used rooms.
- Do not impede heaters/vents with furniture and obstacles.
- For electric furnaces, change the filter regularly.

heat pump extracts heat from the outside air via the unit that's located on the outside, and literally pumps it into your house. It's this process that makes them so efficient. When operating as intended, they can move more heat from the outside into your house, than they use to operate. However, the process by which it pumps the heat from the outside is also its weak link. A heat pump is good at keeping your house warm, but it is not good at heating your house up if it's cold. Because of this, your heat pump has an electric resistance heating element built into it and your job ensuring your bills are low is to help keep your heat pump from ever having to use that back-up electric resistance heat. The way to do that is to never set your heat back. In order to keep your bill low, don't heat the house any more than you need to, but keep it at least 68 F consistently all of the time. Of course, if you're going away for a week or more, you should set the temperature

back to as low as 55F as that would make sense over an extended leave.

If you heat with a ducted heat pump, set your thermostat at a temperature that you're comfortable with, and then leave the thermostat alone.

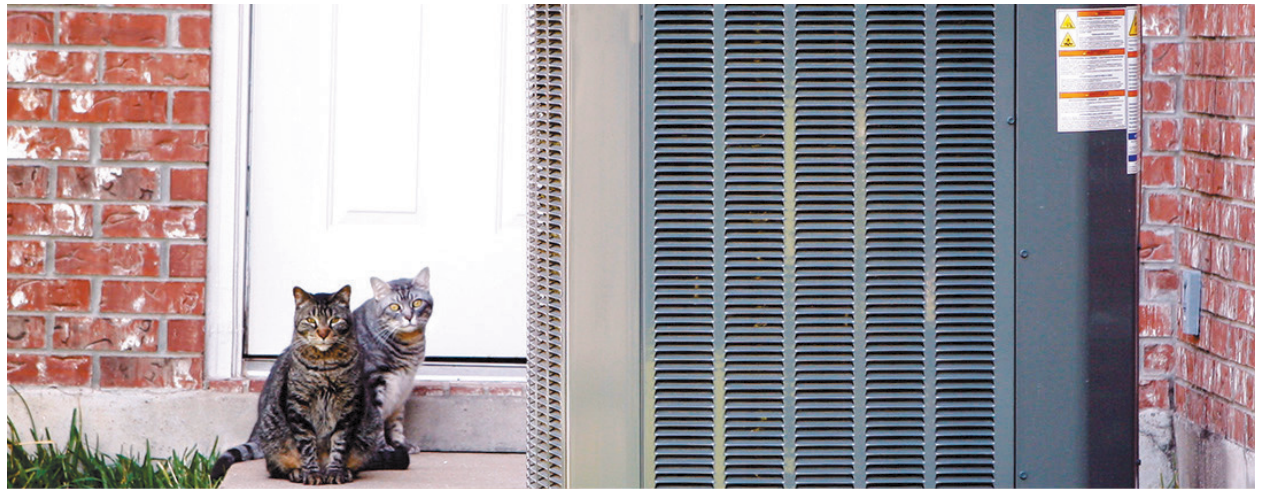
Ductless Heat Pumps

A ductless heat pump is not much different from a standard heat pump. As the name implies, the primary difference is just that it doesn't have duct work. But there is another difference, in that a ductless heat pump doesn't have an electric resistance back up heating system built into it. Generally, the old electric resistance heating system is left in place, in order to provide the backup. To keep your bills low when you're heating with a ductless heat pump you have to manage the thermostat on your ductless heat pump and your back up electric resistance heating system be it baseboards, wall cadets, or an electric furnace together.

With ductless heat pumps, just like a regular heat pump, the best thing to do is to find a comfortable set point and leave it there. Remember, a heat pump is good at keeping your house warm but not at warming it back up, so when you know what you like, say 68 F, just leave it there and never change the setting all winter long.

Now, your backup electric resistance heating system. The most important thing with it is to make sure you don't have them both on at the same time. Make sure that you have it set about 4 degrees lower than your ductless heat pump, if you're not turning it off altogether. Remember, it was left in place as a backup. As always, there can be exceptions. If, for instance, you have a ductless heat pump heating your main living area and the kitchen, and you have a home office away in another area of the house, then you may need that heater to help make sure you're not too cold when you're working. However, make sure that your door to the room is open so you get some benefit from that ductless heat pump, and follow the instructions I wrote about above for baseboards, wall cadets, and electric furnaces and turn that thermostat back down when you don't need the heat.

If you heat with a ductless heat pump, set your thermostat at a temperature you're comfortable with and then leave the thermostat alone making sure that your backup heat is set at least 4 degrees lower than your ductless heat pump, if you're not turning it off altogether.



Lastly, if you don't have a heat pump, ductless or otherwise, we do have rebates to help you upgrade to something more energy efficient.

If you have questions regarding this article and/or would like to discuss any other energy saving

opportunities, please don't hesitate to contact us.

We work for you and you can reach us via the web, www.ClallamPUD.net, email, Utility.Services.Info@ClallamPUD.net and phone, (360) 565-3249.



Clallam PUD has been designated as a Smart Energy Provider by the American Public Power Association for its commitment to smart energy practices.

That means Clallam PUD is committed to:

- Giving you choices in how you use (or don't use) energy;
- Living in a healthy environment and considering sustainability in our energy choices; and
- Providing you with unmatched customer service.

And we think that's pretty smart.

Learn more at PublicPower.org/SEP.



Clallam PUD Recognized as a Smart Energy Provider

Clallam PUD has earned a Smart Energy Provider (SEP) designation from the American Public Power Association for demonstrating a commitment to and proficiency in energy efficiency, distributed generation, and environmental initiatives that support the goal of providing safe, reliable, low-cost, and sustainable electric service. Koral Miller, energy services manager at Mason County PUD No. 3 in Shelton, Washington, and chair of APPA's Energy Innovation Committee, presented the designations on November 15 in Minneapolis, Minnesota during APPA's annual Customer Connections Conference. This year, 31 utilities received the designation.

The SEP designation, which lasts for two years (December 1, 2022 to November 30, 2024), recognizes public power utilities for demonstrating leading practices in four key disciplines: smart energy program structure; energy efficiency and distributed energy programs; environmental and sustainability

initiatives; and customer experience. Clallam PUD joins 101 public power utilities nationwide that hold the SEP designation.

"SEP-designated utilities have demonstrated their leadership in smart energy programs and services," said Miller. "This designation celebrates utilities that are committed to serving their customers while taking the extra step to plan for the future. Communities served by utilities that have earned the SEP designation should be proud of their utility's accomplishments."

"We are honored to be recognized as a utility at the cutting edge of smart energy best practices," said Sean Worthington, General Manager. "This SEP designation represents our dedication to offering programs that keep our power affordable, support energy efficiency in our community, and reduce our environmental impact."

Introducing the PUD Budget Book

We are pleased to present, the budget of Public Utility District No. 1 of Clallam County for the fiscal year beginning January 1, 2023, and ending December 31, 2023. This budget serves as a financial plan that guides the spending of the District for the upcoming 12 months of operation.

The budget is a collective, District-wide effort reflecting the goals and objectives of each department. Every year, each department manager takes time to evaluate prior year spend and thoughtfully plan for the next year's spend. The final, collaborative result represents the District's fiscal priorities which support the District's strategic objectives: to "Provide Stable Rates", "Be Financially Responsible" and "Ensure Reliable Supply." This



aligns the District with both its mission and vision:

Mission: "Providing reliable, efficient, safe and low cost utility services in a financially and environmentally responsible manner." **Vision:** "Being the best utility for OUR customers."

The District budgets on a modified cash basis. In other words, the budget is primarily comprised of the expected cash Inflows (sources of cash) and Outflows (uses of cash). The Inflows section

continued page 7

Continued from page 6

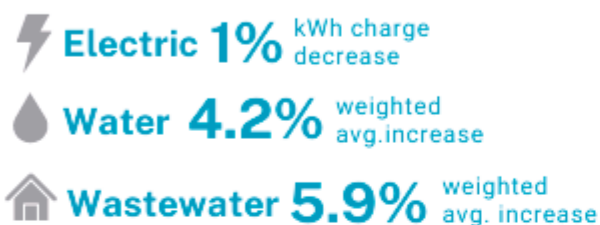
contains all expected cash receipts from utility sales and other sources of cash including service work, interest paid, customer contributions, grant awards and financing proceeds. The Outflows section contains all planned cash expenditures related to purchased resources, personnel, operations and maintenance, general

administration, taxes, capital projects, debt obligations and transfers to restricted/ designated funds.

To view the Budget Book, follow the link listed in the "Budget In Brief" infographic, or scan the QR code on page 6!

CLALLAM COUNTY PUD BUDGET IN BRIEF 2023 District Budget

RATE CHANGES



Electric rate changes are effective **April 1** of each year.

Water and Wastewater rate changes are effective **February 1** of each year.

INFLOWS

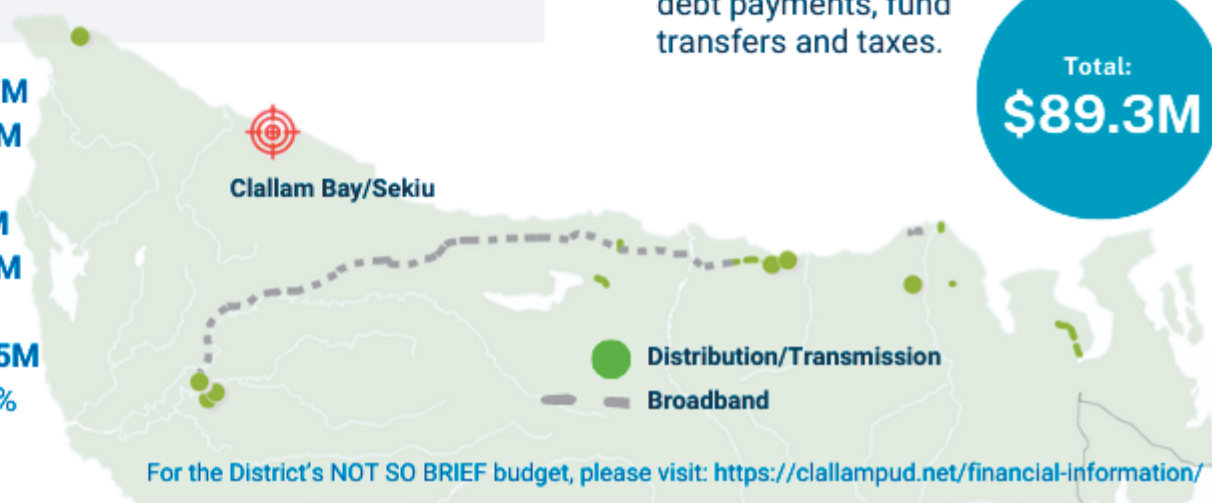


85%
Revenues

Did you know? Rate Revenues make up 85% of the District's budgeted inflows. Rate stability is a strategic objective managed through small rate adjustments.

PROJECTS FOR 2023

- Distribution & Transmission...\$5.7M
- Water.....\$7.9M
 - Sekiu/Clallam Bay = 69%
- Broadband.....\$1.3M
- Other Projects and Spending...\$5.5M
 - includes IT, Fleet, Tools
- Other Purchases.....\$3.5M
 - Transformers, regulators = 75%

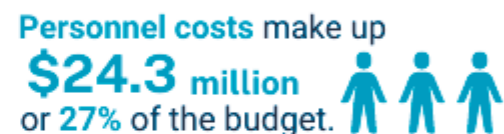


OBJECTIVES

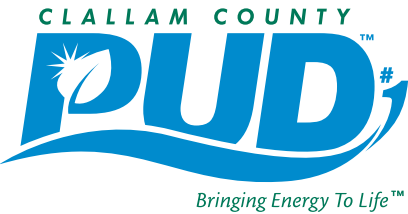
- 1 Provide STABLE RATES.
- 2 Keep reliability HIGH.
- 3 Be financially responsible.



OUTFLOWS



All Other makes up **\$22.3 million** or 25% of the budget and includes operations & maintenance, debt payments, fund transfers and taxes.



Neighborly Assistance Program Helps Your Neighbors In Need

Did you know that Clallam PUD has a program where you can help assist others with their electric bills? It's called our Neighborly Assistance program. You can make a one-time or recurring contribution to a fund that assists qualified low-income residential customers. You can even simply round up your bill to the next dollar! Find out more or print the enrollment card below and return to us with your contribution. Your community thanks you!

<https://clallampud.net/neighborly-assistance/>

SmartHub Quick Facts

- SmartHub is FREE and lets you manage all aspects of your utility account 24/7 online or with your mobile device.
- View all your accounts on one screen, so you can manage multiple properties at once and even pay all with a single payment.
- Provides current and historical billing information and payment history, along with weather data to help you better understand your usage.
- Go green! Sign up for Paperless Billing and Auto Pay.
- Receive email and text notifications about activity on your account.
- Do more without the need to call an office to service your account, pay your bill, update mailing information, or report service issues.
- Report outages and monitor your service status.



Scan the QR code for your device, or search for "SmartHub app" to download the free app!



Neighborly Assistance Program

You can help neighbors in need by donating to this fund. Indicate how you would like to contribute and your choice of agency below. Please clip and enclose this with your PUD payment or drop off at your nearest PUD office. *(If submitting with payment, only one payment is necessary for both your contribution and your PUD bill.)*

Name: _____ Acct. No.: _____
Address: _____ Phone No.: _____

My choices for participation in the Neighborly Assistance Program are indicated below. This **replaces** any previous pledges.

- ☐ Please bill \$ _____ every month, beginning with my next statement, until I contact the PUD to cancel.
- ☐ Please round up my bill to the next dollar and contribute the excess.
- ☐ I prefer a one-time contribution of \$ _____

I want my contribution to go to (check one):
_____ to Olympic Community Action Programs
_____ to Port Angeles St. Vincent de Paul
_____ to Sequim Community Aid
_____ to Sequim St. Vincent de Paul

Signature: _____ Date: _____

